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Security Council

Fifty-fifth year

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Thursday, 26 October 2000, 10.30 a.m.

New York

President:	Mr. Andjaba	(Namibia)
Members:	Argentina	Mr. Cappagli
	Bangladesh	Mr. Sami
	Canada	Mr. Heinbecker
	China	Mr. Shen Guofang
	France	Mr. Levitte
	Jamaica	Miss Durrant
	Malaysia	Mr. Mohammad Kamal
	Mali	Mr. Kassé
	Netherlands	Mr. Hamer
	Russian Federation	Mr. Gatilov
	Tunisia	Mr. Ben Mustapha
	Ukraine	Mr. Yel'chenko
	United Kingdom of Great Britain and Northern Ireland	Sir Jeremy Greenstock
	United States of America	Mr. Cunningham

Agenda

The situation in Bosnia and Herzegovina

Letter dated 18 October 2000 from the Secretary-General addressed to the President of the Security Council (S/2000/999).

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00-71155 (E)

The meeting was called to order at 11.15 a.m.

Adoption of the agenda

The agenda was adopted.

The situation in Bosnia and Herzegovina

Letter dated 18 October 2000 from the Secretary-General addressed to the President of the Security Council (S/2000/999)

The President: I should like to inform the Council that I have received letters from the representatives of Bosnia and Herzegovina, Germany and Italy in which they request to be invited to participate in the discussion of the item on the Council's agenda. In accordance with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

At the invitation of the President, Mr. Sacirbey (Bosnia and Herzegovina) took the seat reserved for him at the Council table; Mr. Schumacher (Germany) and Mr. Francese (Italy) took the seats reserved for them at the side of the Council chamber.

The President: In accordance with the understanding reached in the Council's prior consultations, and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Wolfgang Petritsch, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina.

There being no objection, it is so decided.

I invite Mr. Petritsch to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

Members of the Council have before them a letter dated 18 October 2000 from the Secretary-General addressed to the President of the Security Council, transmitting a letter dated 18 October 2000 and a report by the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, document S/2000/999.

At this meeting the Security Council will hear a briefing by Mr. Wolfgang Petritsch, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina. I give him the floor.

Mr. Petritsch: I address the Council today at what is a time of great change and renewed hope for South-Eastern Europe. The potential future for Bosnia and Herzegovina looks very different today because of the seismic changes in two key neighbouring countries: Yugoslavia and Croatia.

Change is frustratingly slow in Bosnia itself but nonetheless continues for the better. Much will depend on the outcome of the general elections on 11 November to bring about real, sustained change. We need new leaders who will move the country forward, rather than the present leaders who camp out on nationalist positions, despite the fact that they are out of touch with their voters and the changes in neighbouring States.

Change will not see a return to a pre-war Bosnia and Herzegovina. The country is a decade behind the rest of Central Europe in pushing through economic market reforms. We want to move on from the economics of the State plan. More importantly, the scars of war run too deep to rescue Bosnia's multicultural past in its entirety.

Some members might recall William Shawcross's comment in his recent book on warlords and the work of United Nations peacekeeping missions:

> "humility is important. Not everything can be achieved, not every wrong can be righted simply because the international community desires it ... Bosnia will not become Michigan ..."

But Bosnia and Herzegovina is and will remain a multi-ethnic country because it is the home of three constituent peoples — Bosniacs, Serbs and Croats — as well as of many minorities. They will find ways to live side by side, perhaps as German speakers, Italian speakers and French speakers do in Switzerland. This report, the seventeenth by a High Representative — and this is the third time I have had the honour of

addressing the Security Council — looks briefly at the tasks the Office of the High Representative, and by extension, the international community, still face in Bosnia and Herzegovina.

I turn to the revolution in Belgrade and its quieter but no less important counterpart in Zagreb, and what they mean for winning peace in Bosnia and Herzegovina.

First and foremost, we should not drop our guard. The destructive nationalisms that pulled the region apart have not fallen with Slobodan Milosević. The political changes in Belgrade are watched more with apprehension than with relief in Kosovo and Montenegro, as well as Bosnia.

Croatia's Foreign Minister, Mr. Tonino Picula, has made his first official visit to Sarajevo since assuming office, a clear signal that this country has fully recognized Bosnian sovereignty, after its previous Government spent years trying to undermine it. When I met the newly elected President of Yugoslavia, Mr. Vojislav Kostunica, last week in Belgrade I urged him to do the same, suggesting that this is the safest way of ensuring that Kosovo remains within the Federal Republic of Yugoslavia, as required by Security Council resolution 1244 (1999). I also impressed upon him that Yugoslavia's full membership in the United Nations means working with its institutions — for example, cooperating with the International Criminal Tribunal for the Former Yugoslavia in The Hague. With elections in Bosnia soon to be held, I also called on him to end Belgrade's patronage of anti-Dayton forces in the Bosnian Serb entity, which fight on to try and secure the ill-gotten gains of "ethnic cleansing".

Mr. Kostunica has made a very promising start, taking the courageous decision to visit Sarajevo on Sunday to meet State leaders there. I would like to pay tribute here to the Special Representative of the Secretary-General in Sarajevo, Jacques Paul Klein, whose tireless efforts helped to secure the success of that crucial visit. President Kostunica also assured me that he would work to establish diplomatic relations with Bosnia and Herzegovina as soon as he had formed his own Government. But there is much work to be done in this area.

We need to make sure that the international community speaks with one voice — especially when the European Union meets at Zagreb for a summit on south-eastern Europe next month — to say that borders cannot be tinkered with. There is talk among some former Balkan mediators of a need to compensate Serbia for its allegedly inevitable loss of Kosovo. This would have disastrous consequences right across the region. We should make it crystal clear that cynical, nineteenth-century map-making has no place in our peacekeeping efforts today. A failure to speak clearly on this now would cost us very dearly in the future, and would destroy the five years of hard and fruitful work since the Dayton Accords were signed, especially at a time when the majority of people in the region now see that nationalism makes them poor and isolated.

Europeanization is the one thing that nearly all sides aspire to, and that we use to drive reform in Bosnia and Herzegovina. Last May in Brussels the Peace Implementation Council approved my three strategic priorities to help Bosnian citizens achieve that dream: comprehensive economic reform; accelerated refugee returns; and the strengthening of State institutions.

But overall progress has been slow since I last reported to the Council in May, with the country's nationalist incumbents unwilling to take tough decisions, especially with a general election looming. They refuse to accept that donor money is fast running out and that there is increasing competition for that money from countries like Yugoslavia — this when the country is in serious economic crisis. Gross domestic product growth in Bosnia and Herzegovina was 7.1 per cent in 1999, but that superficially high figure is really the result of the last foreign reconstruction money going into the country's war-torn economy. The real headache is the trade balance. Preliminary data show that the country is covering imports only to the extent of 25 per cent by exports. This is, of course, unsustainable.

My Office, in close cooperation with international financial institutions, has put in place clear banking laws that should enable transparent financial operations across both entities. We aim to close the communist-era payment bureaux by the end of the year. That will rid the country of an expensive, non-transparent means of settling payments, which the nationalist parties will no longer be able to milk.

Local judicial and police services are clamping down on corruption for the first time. But we are still unhappy with the slow pace at which political leaders

are tackling the issue. Aid and investment will come only when the country's poor record on corruption is cleaned up. Sadly, most Bosnian politicians prefer to put their heads in the sand with regard to that issue.

A law on State treasury has been approved that should see more funds flowing through central rather than entity institutions — a powerful glue to make the two halves of this fractured country stick. We are studying ways to cut damagingly high taxes and spread the burden. Foreign investors are loath to put their money into a country where they end up paying more than 80 per cent in taxes. International experts, together with local officials, are preparing 86 strategic enterprises in the Federation and 52 in the Serb entity for transparent tender privatization. And we are studying ways of unbundling utilities, such as electricity and telecommunications, in a way that will dismantle damaging parallel structures, making companies compete in a single economic space on price, and not on a consumer's presumed ethnic identity.

It is the economy — the advantages of a single economic space — that will secure Bosnia and Herzegovina's future as a functioning State. It may be anecdotal, but I know of Bosniacs and Croats who already travel to Banja Luka, the Serbs' regional capital, to buy furniture because it is cheaper there than in Sarajevo.

The tough implementation of the property laws which I had to impose last year has started to depoliticize the emotional issue of refugee returns. The strict implementation of the rule of law, helped by the good work of the United Nations in Bosnia — especially that of the Office of the United Nations High Commissioner for Refugees (UNHCR) — will have profound implications for all areas of life in Bosnia, and from this specific issue much else will follow. A right enshrined in law to one's own property is vital to restore confidence in the country's future.

The latest UNHCR figures show that by the end of August this year about 30,000 minority returns were registered — more than double the figure in the same period in 1999. The figure is much higher when non-registered returns are taken into account. But these are all dull figures. What is truly extraordinary is where these returns have taken place: in, or near, towns like Srebrenica and Foca, synonymous with massacres and rape camps during the war in the eastern half of what is now the Serb entity.

But I do not want to paint a false picture. While the rule of law has begun to melt the permafrost covering the return process, there are still hundreds of thousands of people who remain either displaced or refugees. Again, I look to the elections in the hope that ordinary Bosnians will vote out nationalist forces who remain intent on keeping the returns process frozen.

Since I last addressed the Security Council, I have removed 24 public officials for persistent obstruction of the Dayton Accords. I am under pressure from some parts of the international community, and from many Bosnian citizens as well, to be more interventionist. But, while removals and imposing laws send a clear message, the country's political leaders use this to avoid tough decisions.

A case in point has been political leaders' refusal to adopt amendments to the pension laws, as demanded by the World Bank and the International Monetary Fund. Political leaders did, as usual, nothing. They expected me to impose them. Instead, they have been warned that if they do not do this, they risk losing the country hundreds of millions of dollars in badly needed aid.

That being said, after months of wasted debate and posturing, I ended up having to impose a law on a single travel document for Bosnia and Herzegovina. As with the new vehicle registration plates, which also have no entity markings, the move was very popular amongst ordinary Bosnian citizens. They are fed up with finding themselves at the bottom of the visa queue because their leaders, in their narrow-minded nationalism, cannot agree on standard, internationally recognized travel documents. This is yet another example, like the economy, of how self-interest can be made to work in favour of Dayton implementation. I am happy to report that Bosnia and Herzegovina's first new passports were issued yesterday.

In terms of State-building, one will now be able to dial anywhere in Bosnia through the same international code, ending the ridiculous situation of having to dial Republika Srpska through Belgrade. The State border service — yet another law I had to impose early this year — has started functioning, much to the chagrin of some leaders in Republika Srpska, as they operate on the border with Yugoslavia. Full marks go to the United Nations for its work in this area.

I announced at the beginning of the week the creation of a public broadcasting service. A multi-ethnic staff will provide balanced news and will make programmes that will be beamed across both entities. The Olympic games were successfully broadcast simultaneously in both entities with a multi-ethnic commentating team in Sydney. Cold, hard cash — or the shortage of it — and modern management practices drive this exciting project, not ethnic quotas.

The country's Constitutional Court last month gazetted a decision with far-reaching consequences for all Bosnian citizens' equality before the law. The ruling on the so-called constituent peoples' case means that Bosniacs, Serbs and Croats are entitled to the same rights in both entities. This laudable concept, however, has yet to be translated into the entities' constitutions.

But State institutions such as the Presidency, the Council of Ministers and the Parliamentary Assembly continued to be stymied by ethnic concerns.

After a great deal of pressure, we have wrung an agreement out of Bosnia and Herzegovina's education ministers to ensure that both the Latin and the Cyrillic alphabets and a small, core curriculum are taught in all schools. But this is far from enough. Education must be a priority if the country is to have a future. Unfortunately, a recent report by the United Nations Development Programme (UNDP) reveals that many young Bosnians do not believe that they have a future in their own country: a staggering 62 per cent of those polled in the report said they would leave Bosnia if they had the chance.

I want to be frank about the problems. But we are moving forward, even if, as in a sandstorm on a desert trek, one feels sometimes that one is not moving at all. Despite the dramatic changes in the region, we need to stay with Bosnia and Herzegovina and see the task through. Our job there is unfinished. I am aware that Yugoslavia will need assistance on its way to democracy, and that there are many other hotspots in the world deserving the Council's attention. However, the international community has spent too much effort in Bosnia and Herzegovina to abandon this project prematurely. We will need the Council's continued moral, political and financial support to get it right.

To quote Mr. Shawcross again,

> "Intervention can assist people when they are desperate. But if it is to be more than a sop to our own guilt, intervention must be commensurate and consistent; it must be followed through. That is how people can be delivered from evil and peacekeepers can prevail more often over warlords".

I have said this before, but it needs to be stressed time and again: Bosnian citizens themselves must create the prosperous and tolerant country that Bosnia and Herzegovina could be; they must take ownership of their destiny in order to realize their dream of a place in Europe and in the world. Their neighbours must also turn their backs on the past and look forward by helping Bosnia and Herzegovina; it should be clear that their own place in the new Europe also depends on this. But we in the international community must also continue to do all we can to hold up a guiding light to bring Bosnia and Herzegovina home.

That is the end of my report. However, I would like also to inform the Council about a decision I took yesterday. As members are aware, the victims of the 1995 Srebrenica massacre, the worst crime committed in Europe since the Second World War, have not yet been given a place for their final rest. The associations of relatives of these victims have demanded for a long time that this issue be resolved. Several agencies have since tried to tackle the issue to no avail. My decision transfers into trust a plot of land in the municipality of Srebrenica in order to bury the victims and erect a memorial. I consider this to be a first, but an important, step on Bosnia and Herzegovina's way to come to terms with its past.

Mr. Cunningham (United States of America): I want to welcome Mr. Petritsch back to the Council and to thank him for his thorough briefing on the progress his office has overseen to date in building a peaceful multi-ethnic society in Bosnia. That is a very difficult task, and we are encouraged by the positive developments noted in his report. We congratulate him in particular on the re-establishment of the Council of Ministers and on the increased rates of return of those displaced by the war. We also welcome steps to establish an Independent Judicial Council and note especially that a multi-ethnic court in Mostar has begun to try those war crimes which the International Criminal Court for the former Yugoslavia has approved for prosecution under the so-called rules of the road.

However, we remain concerned that some Government officials and other individuals continue to

block the return of refugees and displaced persons. The message must be clear that we will not tolerate continued obstruction. We will work only with those political leaders who are committed to implementing Dayton.

The United States strongly supports full and active use in Bosnia by the High Representative and the Organization for Security and Cooperation in Europe of the mandates provided by the international community. Real progress is being made, and we need to accelerate it. With two vitally important elections coming up in the region — in Kosovo and in Bosnia — it is time to go forward and not to look back at the past.

We should seek to remove or restrain all those standing in the way of Dayton's full implementation: there are war criminals remaining at large, organized crime figures and nationalist extremists. In that regard, we welcome the removal of 24 individuals who were blatantly obstructing implementation of the Dayton Peace Agreement. But those 24 are not the only obstructionists, and decisive action is necessary to ensure that refugee returns continue and that a climate based on the rule of law is established in Bosnia.

With specific regard to Mostar, we see some signs of progress there. In the light of repeated difficulties with funding for the local administration, we would like to urge the Office of the High Representative to issue a decision instructing the local electricity company, Elektroprivreda, to pay a portion of its revenues to fund the budget of Mostar under terms that have been under discussion for several months now.

Finally, the democratic change in Belgrade is particularly significant and auspicious. There will be many problems ahead, but we hope the new leadership of President Kostunica will have a positive influence on events in Bosnia in the same way that Croatia's change in regime has helped to normalize relations between Croatia and Bosnia.

Mr. Gatilov (Russian Federation) (*spoke in Russian*): We too are grateful to the High Representative, Mr. Petritsch, for his thorough briefing on the situation in Bosnia and Herzegovina and for the efforts he is making to establish normal living conditions in that country.

We wish to note, however, that the situation there remains fragile. On the one hand, as we have heard today, positive changes are taking place that are a source of optimism. On the other hand, in order to preserve stability, multifaceted support by the Stabilization Force is frequently required, as well as continued, ever-stronger pressure on the Bosnian participants in the peace process by the Office of the High Representative and other international players.

Russia continues actively to be involved in the implementation of the Dayton Accords. However, we do not consider ourselves to be bound by the Brussels Declaration, as we have serious objections to a number of its provisions. We will in future work towards the full and non-discriminatory implementation of the Dayton Agreement, in keeping with the letter and spirit of those agreements.

In principle, we understand how the High Representative is establishing priorities in his work, but it seems to us that his special powers are being overutilized, thereby placing Bosnia and Herzegovina, in essence, under a kind of international protectorate. We do not believe that the use of force to push Dayton forward creates a stable foundation for institution-building. International structures cannot and should not replace legally elected authorities in Bosnia and Herzegovina as a whole and in both entities.

Following the visit of President Kostunica to Sarajevo, we hope to see the establishment of fruitful cooperation between Bosnia and Herzegovina and Yugoslavia, particularly the speedy implementation of diplomatic relations between them and the resolution all bilateral problems without the imposition of any conditions on either side.

We believe that the international community should focus its efforts on working with the political authorities of Bosnia and Herzegovina by encouraging them to cooperate both among themselves and with the international community. Such an approach is particularly relevant in the period preceding the 11 November elections in Bosnia and Herzegovina.

Mr. Cappagli (Argentina) *(spoke in Spanish)*: We would like to thank High Representative Wolfgang Petritsch for his presence in the Council today and for his detailed report and additional comments.

The first part of the report contained in document S/2000/999, concerning political issues, shows, in our opinion, that strengthening State institutions apparently remains an elusive goal. Although some important progress has been noted, such as, for example, the

establishment of a new Council of Ministers and of three new ministries, it is disappointing that the reports we receive consistently indicate procrastination in the area of decision-making, a lack of commitment on the part of officials, and the need for the international community to bring continuous pressure to bear in order to overcome obstructionism and a lack of political will on the part of those who focus on ethnic issues instead of the country's real needs, thus jeopardizing the effective operation of the institutions. For that reason, we would like to voice our full support for Ambassador Petritsch's firm and decisive management style.

We hope that the working group set up by the House of Representatives and the Council of Ministers of Bosnia and Herzegovina will be able to overcome difficulties related to the adoption of the electoral law, thereby enabling the Parliamentary Assembly to adopt a definitive electoral law as soon as possible. In this respect, we hope that the forthcoming general elections, to be held on 11 November, will be the last to be held under the provisional rules established by the Organization for Security and Cooperation in Europe.

We hope also that the positive trend noted during the municipal elections on 8 April last will continue in November. At any rate, during the pre-electoral period we must not tolerate any incitement to violence by the political parties or any advocacy of changes in the structure of the State that are not in keeping with the Dayton Accords. There must be no tolerance either for any attacks on freedom of the press.

Turning the economy, the report of the High Representative notes that important measures have been taken to create a single economic state in order to promote the private sector and stimulate investment. We believe that these and other measures designed to deepen economic reform are indispensable for Bosnia and Herzegovina's economy to become self-sustaining and therefore less dependent on external assistance.

As for the return of persons belonging to minority groups, it is encouraging that as of 31 August 2000 about 29,700 had come back and that today very few areas in Bosnia and Herzegovina are considered off-limits for security reasons. In connection with what is stated by the High Representative in paragraph 46 of his report, we urge the Government of Croatia to adopt the necessary measures to streamline procedures relating to the return and restitution of property in Croatia.

Finally, we hope that the democratic changes that have occurred in the Federal Republic of Yugoslavia will make it possible to restore relations between that country and Bosnia and Herzegovina and thus enhance stability in the area. We believe that the summit held yesterday in Skopje, which was attended by the President of the Federal Republic of Yugoslavia, Vojislav Kostunica, is a step in the right direction.

Mr. Mohammad Kamal (Malaysia): My delegation joins previous speakers in welcoming High Representative Wolfgang Petritsch back to the Security Council. We too are grateful for his written report and for his briefing this morning, which highlighted the continued progress in, as well as the many remaining challenges and obstacles to, the implementation of the Peace Agreement in Bosnia and Herzegovina.

We take this opportunity to reaffirm once again our full support for Ambassador Petritsch's ongoing efforts to further consolidate the path to a self-sustaining peace and stability in Bosnia and Herzegovina.

We recall that following the initiative of Ambassador Petritsch, the Peace Implementation Council, meeting in Brussels last May, set three key strategic targets for advancing the Bosnian peace process: the strengthening of State institutions, a comprehensive economic reform, and the accelerated return of refugees and displaced persons.

We have supported, and we endorse, this three-pronged strategy, just as we did the concept of ownership espoused by the High Representative and the New York Declaration, adopted by the Bosnian joint Presidency almost a year ago. Like others, we believe that all these efforts provide a clear framework within which the international community and the leadership of all Bosnian constituent peoples should work together and make progress in the peace process.

As was made clear in the report, and in the briefing by Ambassador Petritsch just now, some progress — albeit still limited in many cases — has indeed been made in those key areas. We take note of the re-establishment of the Council of Ministers and the appointment of its Chair, as well as of the recent constructive performance of the joint Presidency. At the same time, we recognize the fact that many of the

important decisions had to be imposed by the High Representative or were made after his direct intervention, as is evident from the recent cases of the establishment of the State Border Service, the single national passport and the amendments to the law on succession to the Bosnian Presidency. This state of affairs is rather unfortunate, or, at least, regrettable.

The international community — which, clearly, includes the High Representative himself — would like to see the Bosnian leaders and politicians increasingly assume greater responsibility for working together and engaging constructively to strengthen Bosnia and Herzegovina as a State and promote the effective functioning of its common institutions — a paramount responsibility that is in line with the concept of ownership. Clearly, this warrants much stronger commitment and political will on the part of the Bosnian leadership to work together for the common good of the country.

My delegation welcomes the ruling by the Constitutional Court of Bosnia and Herzegovina, which was issued on 1 July 2000, regarding the constitutionality of all three nations in both Bosnian entities, as well as the Bosnian State as a whole. We view this ruling as a significant contribution to the strengthening of the statehood of Bosnia and Herzegovina.

We, too, are pleased to note the considerable improvement in the situation in the city of Mostar and the Herzegovina-Neretva canton, which has led to the unification of, among others, the city administration, the cantonal judicial system and the cantonal Ministry of the Interior. We recall that the existence of parallel structures in this canton was a matter of concern which the Security Council specifically highlighted in a statement to the press last March. At the same time, the recent development pertaining to the implementation of the final arbitration award for the district of Brcko is equally encouraging.

My delegation is also encouraged to see the recent increase in so-called minority returns, which, according to rough estimates, is more than double the number of such returns during the same period last year. However, the overall return process has been rather slow, and further determined efforts should therefore be made to promote it. Political and administrative obstructions to the return process must be addressed effectively while efforts are being made to foster economic, educational and labour-market opportunities for returnees. We further believe that the full and rigorous implementation of the package of property legislation will contribute to a further increase in the rate of return. We note with concern that the implementation of this legislation in certain areas, particularly in eastern Republika Srpska and the Croat-controlled municipalities of Herzegovina, remains dismal, largely due to political impediments.

The judicial system assessment programme has carried out important work that can contribute significantly to the ongoing efforts to reform the Bosnian judiciary. My delegation strongly supports the continuation of this work and the need for concrete follow-up actions in this area. We therefore welcome the establishment of an independent judicial commission that will lead to the implementation of the judicial reform programmes.

Finally, while my delegation fully respects the decision by President Alija Izetbegović to resign from the Presidency of Bosnia and Herzegovina on 12 October 2000, we feel that his departure from this important office will certainly be a great loss to the peace process in Bosnia and Herzegovina. My delegation would like to take this opportunity to pay tribute to President Izetbegović, who is an outstanding statesman and a respected leader in Bosnia and Herzegovina and who has worked assiduously for peace in that country and the region. President Izetbegović has undoubtedly made an enormous contribution to and personal sacrifices for the political independence and territorial integrity of the State of Bosnia and Herzegovina and the well-being of its people. We hope that, in his new capacity, President Izetbegović will continue to contribute to the peace process in his country.

Mr. Ben Mustapha (Tunisia) (*spoke in French*): I should like to congratulate you, Mr. President, for convening this meeting to consider the situation in Bosnia and Herzegovina. I should also like to thank Mr. Wolfgang Petritsch for his detailed and enlightening briefing on the development of situation in that country.

The report before us today shows that there has been slow progress, requiring sustained action on the part of the international community as a whole. We believe that the recent developments in the region are conducive to creating a new, positive momentum which

could accelerate the implementation of the peace agreements. They offer real hope for regional stabilization.

Clearly, the task is complex and there is a long way to go before a final and lasting peace can be achieved. It will be necessary to overcome what is considered to be localized resistance and intransigence that is not characteristic of a situation that, on the whole, is favourable.

In order for peace to be built on a solid foundation, it must be based on moral values of tolerance and respect for diversity. We continue to believe that the establishment of a multi-ethnic society in Bosnia and Herzegovina should allow for the expression of specific identities on the part of the three communities. In this context, it is important to place special emphasis on education which enables young people to learn to live together, coexisting with their differences.

We are gratified that concrete measures have been adopted to consolidate unity in Bosnia and Herzegovina, in particular through the establishment of a single national passport and the drafting of laws relating to identity cards and other national documents.

The consolidation of institutions in Bosnia and Herzegovina is a strategic goal, endorsed by the Brussels meeting of the Peace Implementation Council. We support that goal and believe that strengthening political institutions is essential for the establishment of State authority. Furthermore, we await with interest the forthcoming general elections planned for November, and we hope that the trend initiated during the April municipal elections will be reinforced and that the multi-ethnic and moderate parties will continue to make progress.

We encourage the Presidency to persevere in the application of the New York agreements, and we appeal to the parties to overcome their differences and to adopt electoral laws as soon as possible in order to contribute to the promotion of democracy.

The return of refugees and displaced persons is a major concern for my delegation and an essential condition for the implementation of the Peace Accords in Bosnia and Herzegovina. We welcome the return of refugees, particularly persons belonging to minorities, in satisfactory conditions, and we appreciate efforts to guarantee security and to procure the means of survival for this vulnerable category of people.

Despite encouraging economic progress, the situation remains fragile. The country continues to depend heavily on foreign aid, with all the risks that this could entail if the level of this aid drops. That is why we think that economic reform needs to go deeper and to create conditions conducive to the autonomous development of the country, based on the domestic capacity-building of the country and the promotion of private investment. We are convinced that political stability, restored security and the success of economic reforms are all factors that could attract investors to Bosnia and Herzegovina, particularly since the country must develop in a European context. The Stability Pact offers many possibilities that should be explored.

An independent, effective and impartial judiciary is the best defence against impunity and can promote conciliation among the Bosnian communities. We salute efforts made in this realm, particularly the initiative to establish an independent judicial commission that will seek to reform the judicial system, coordinate international aid and design specific programmes.

Mr. Levitte (France) *(spoke in French)*: Allow me first to welcome Mr. Wolfgang Petritsch's presence among us. We have listened with the greatest interest to his detailed presentation. I must assure the High Representative of France's full support in the accomplishment of the important mission that he is carrying out with talent, patience and determination.

With slightly more than two weeks to go before the general elections in Bosnia and Herzegovina, how can we fail to rejoice at the fact that the Bosnian people will now have a chance to express through the ballot their devotion to democracy, their aspiration to the rule of law, their rejection of ethnic division and their legitimate ambition to be fully a part of their family, the European family. The report of the High Representative very candidly stresses that the wounds of the past will take a long time to heal. The decision that Mr. Petritsch took yesterday regarding the dignified burial of the victims of the Srebrenica tragedy will contribute to this, but we must also hope that the November elections will produce gains for the moderate parties and less support for the errant radical nationalists. Were such a development to occur, the citizens of Bosnia and Herzegovina, in the same way as

the Yugoslav and Croatian peoples, would be giving us new reasons to hope, with prospects of peace, reconciliation and economic development in the region. A new step forward would be taken in the Bosnians' chance to take control of their own fate, a process that the international community seeks to encourage.

On 23 and 24 May, the Peace Implementation Council met in Brussels and set the course. Institutions in Bosnia and Herzegovina must be consolidated, the economy must be reformed and the return of refugees must remain a priority. The High Representative has continued to work in this direction, with a blend of dialogue and firmness: dialogue, because this is the best way of bringing the Bosnian leaders to shoulder their responsibilities; and firmness, particularly through imposing laws or regulations when this is the only way to put an end to intransigence, overcome the resistance of elected or appointed officials who do not act in good faith and, finally, to ensure that the general interest prevails. In this spirit, I would like to note that the single national passport of Bosnia and Herzegovina was officially presented yesterday, 25 October, by the Presidency and the High Representative.

We must hope that changes in the region will create a new state of mind. We must hope that goodwill will be contagious and that the prospect of normalization, glimpsed yesterday at the Skopje summit, will also have a beneficial impact in terms of trade and, more generally, of opening up the economy, a field in which there is an urgent need for reform.

I would like to underscore the European Union's commitment to this process of integration and reform. The Union is both the main donor and the main troop contributor for Bosnia and Herzegovina. It will have an opportunity to reaffirm its political involvement during the Zagreb summit, to be held on 24 November on the initiative of France.

I would also like to draw attention to a recent initiative of the European Union in Mostar. It was under the auspices of the Union, and thanks to the spirit of cooperation displayed by the two leaders of that divided city, that on 12 July the Mostar document was adopted and signed by the conference of the city's mayors. This document marks an important phase towards the implementation of a final statute that provides for a single, self-reliant and multi-ethnic administration for the city.

Mr. Sami (Bangladesh): I thank Mr. Wolfgang Petritsch, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, for his candid presentation on the developments in Bosnia and Herzegovina. We consider his briefing timely, in particular as a new scenario in the Balkans has been unfolding with the change in political leadership in the region.

Progress in the implementation of the Dayton Peace Accord has been painfully slow until now. This was largely due to the existing political climate of the region. We believe that a propitious moment is now in the offing for speedier implementation. Mr. Kostunica himself declared during his visit to Sarajevo that he would defend Dayton and expressed his desire to normalize relations with Bosnia and Herzegovina. We encourage the High Representative to establish a dialogue with Belgrade for advancing the peace process. It is high time to restart negotiations, which had stopped with the former Yugoslav President.

We are appreciative of the Office of the High Representative's constant pursuit of its three strategic priorities: economic reform, the acceleration of the return of refugees and displaced persons, and the consolidation of institutions, especially at the State level.

It is of immediate importance to inject vigour into the fragile economy of Bosnia. Only a secure economic future can provide an effective antidote to the devastation caused by the 1992-95 war. What is needed is to facilitate a climate for investment, both domestic and international. This will require major reform in the administrative structure. It is commonly believed that the Bosnian workforce is well-suited to small- and medium-sized enterprises. Bosnian entrepreneurship has to be nurtured. Numerous bottlenecks from the past still stifle free enterprise. These must be dismantled.

The status of refugees and internally displaced persons has also remained a major concern. The Office of the United Nations High Commissioner for Refugees and other United Nations agencies have been playing laudable roles in accelerating the refugee return process. But five years after the war there are still a quarter of a million people outside the borders, and three quarters of a million remain internally displaced. We believe that facilitating their return is a priority undertaking. We welcome, however, the current trend

of increasing numbers of refugees returning to their pre-war homes.

We are appreciative of the steps taken by the High Representative in reforming the legislation regarding property return and in taking stern action against public officials who have a record of obstructionism. We would be interested to know the results of the steps taken by the High Representative earlier this year.

The High Representative's Office is also seized of the formidable job of assisting in State-building. The consolidation of the State structure starts with a fully functional and independent judiciary to establish the rule of law, and a responsive and professional police force. Inter-ethnic cooperation has often been blocked by radical nationalist forces. We believe the tide has turned against these forces. We strongly urge the Joint Presidency to honour the commitments they made under the New York Declaration and to work in close concert to promote inter-ethnic cooperation.

In conclusion, we would like to express our optimism that with the change of the leadership in the Balkans, the efforts of the High Representative will now be rewarded with quicker results. Dayton should be working at a faster pace. From the Council we are prepared to extend our continued support to the goals of the High Representative.

Mr. Yel'chenko (Ukraine): I, too, want to thank High Representative Petritsch for his informative briefing.

My country commends the High Representative and his Office for a good job done over the period under review. We note that, with the assistance and involvement of the Office of the High Representative, there have been a large number of encouraging achievements during the last six months, in almost all areas of the implementation of the civilian aspects of the Dayton/Paris Peace Accords.

First of all, we welcome the progress made in the building of common institutions, in particular the re-establishment in June of the Council of Ministers and the subsequent establishment of three new ministries, as well as the adoption of a number of important decisions and laws by the Bosnia and Herzegovina Presidency, Parliamentary Assembly and Constitutional Court.

At the same time, like others, we remain concerned about the High Representative's observations that many important decisions related to common institutions continue to require the constant application of pressure from the international community. It is very unfortunate that the lack of commitment among politicians — and specifically the lack of proper dialogue among the three members of the Presidency — continues to block effective decision-making.

In this regard, my delegation encourages the High Representative to pursue further his resolute stance on this subject. We welcome his decision of 29 September to impose a single national passport in Bosnia and Herzegovina, following the failure of the Parliament to adopt the necessary legislation. We also wish every success to the Office of the High Representative and the Organization for Security and Cooperation in Europe in their joint efforts to assist in the holding of the general, parliamentary elections in Bosnia and Herzegovina on 11 November.

It is regrettable that the recent months have witnessed a period of deterioration of the political situation in the Republika Srpska. This situation required frequent interventions by the Office of the High Representative to ensure the functioning of that entity's Parliament and Government. It is our hope that the new political environment created by the recent presidential elections in the Federal Republic of Yugoslavia will be conducive to the stabilization of the political situation in the Republika Srpska and bring closer solutions to many other problems in regard to relations between Bosnia and Herzegovina and the Federal Republic of Yugoslavia.

My delegation took note with satisfaction of the information in the report that the situation in the city of Mostar has considerably improved in recent months and that the implementation of the Brcko District is proceeding well.

As far as the economic situation is concerned, we share the conclusions of the Peace Implementation Council meeting in Brussels about the central role of economic reform in the strategy of the international community for Bosnia and Herzegovina. Therefore, we fully support the ongoing efforts to pursue this strategy by creating a single economic space, enabling private sector growth and fostering privatization.

We are encouraged with the reports indicating that the number of minority returns registered up until last August is more than double the number of returns during the same period last year. This positive tendency testifies to the steady progress being made by the international community in the normalization of life in Bosnia and in stimulating minority returns. In view of these inspiring figures, the international community should redouble its efforts to ensure security for returnees and to ensure that they have equal rights as citizens.

In this regard, it is also of particular importance to make the property laws effective and to promote comprehensive judiciary reform and the establishment of human rights institutions. My delegation applauds all steps being taken by the High Representative to these ends.

Finally, Ukraine maintains that the role of the High Representative and his Office in leading the international efforts aimed at restoring peace and stability in Bosnia and in the entire Balkans remains vital. Therefore, my delegation wishes to reiterate its support for the activities of the High Representative. We wish him and all his staff every success.

Mr. Hamer (Netherlands): I thank Mr. Petritsch, the High Representative, for his report and briefing and welcome him back in our midst.

Much has been achieved in Bosnia and Herzegovina over the past five years since the Dayton/Paris Peace Agreements. And yet, as the High Representative has made clear, much remains to be done. One milestone of progress will be the general elections on 11 November. My delegation shares the hope of the High Representative, and indeed of the entire international community, that the trend in favour of multi-ethnic or moderate political parties, established in the municipal elections last April, will be continued in these general elections.

But there are less encouraging signs as well. At several levels there is still a lot of obstructionism, a lack of dialogue and a lack of constructive engagement. These problems are usually, if not always, inspired by a desire to protect vested interests. We support the High Representative when he finds himself forced to intervene and to impose regulations — which will serve all in Bosnia and Herzegovina, not only particular interest groups. We also call on all to fully engage in the process of fostering functional and democratically accountable common institutions.

The economy of Bosnia and Herzegovina remains an area of concern. On the one hand, there is marked progress – the growth rates are indeed impressive; on the other, economic reform has been slow and the country, as Mr. Petritsch remarked, has fallen 10 years behind in its development. The Netherlands welcomes the economic strategy adopted at the Brussels meeting of the Peace Implementation Council last May and we hope that this strategy will facilitate the transition from a donor-dependent economy to a self-sustaining market economy.

In this context, I should like to underline once again the importance we attach to privatization. Here again, preservation of the current economic status quo serves only economic and political vested interests. A quick, equitable and transparent privatization process will help the country to finally catch up.

I have one question for Mr. Petritsch concerning the economy. Economic experts have noted a marked difference in economic development and prosperity between the Federation and the Republika Srpska. I would appreciate it if the High Representative could share his views on this matter with us and if he could, perhaps, elaborate on the implications of this divide for the prospects for cooperation.

Finally, the High Representative and most speakers have noted the considerable progress made over the past year in the area of refugee return. There is no better yardstick for the success of peace implementation than the decision of individuals that it is safe to return. Judged by that yardstick alone, Bosnia and Herzegovina is on the right path. That is the result of hard work under difficult circumstances by all concerned – citizens of Bosnia and Herzegovina as well as international personnel. To them, as to the High Representative, I should like to pay tribute for their achievements.

Mr. Shen Guofang (China) (*spoke in Chinese*): First of all, we thank you, Sir, for convening this open briefing on Bosnia and Herzegovina.

Our thanks also go to High Representative Petritsch for his report and updates. We found the report informative and comprehensive. The Chinese delegation supports the High Representative's work and appreciates the efforts made by various parties in

Bosnia and Herzegovina to implement the Peace Agreement.

China has closely followed developments in Bosnia and Herzegovina. The overall situation has remained calm and stable and the Peace Agreement continues to be implemented, which we find encouraging. This can be attributed to the political will and cooperation of the parties in Bosnia and Herzegovina and to the assistance provided by the international community. We welcome the progress made in various areas, especially the return of minority refugees in increasing numbers. The local police forces are playing a crucial role in ensuring the safety and security of the returnees and very few places in Bosnia and Herzegovina are considered to be inaccessible for security reasons.

We note from the report, however, that progress in implementing the Peace Agreement is very slow. In some areas, it appears to be at a standstill. In particular, there is a lack of dialogue and constructive engagement in decision-making among the three members of the Presidency of Bosnia and Herzegovina, who continue to be guided by ethnic interests rather than by the overall interests of the country. Thus, five years after peace was achieved in Bosnia and Herzegovina, they are still faced by challenging tasks which they are far from completing. The international community must exert its influence in this regard.

It has been our consistent view that a comprehensive and thorough settlement of the question of Bosnia and Herzegovina ultimately depends on the people of that country themselves. The participation of the international community in reconstruction should be based on the principle of ceding the leading role to the people of Bosnia and Herzegovina. Their will and choices should be respected. The international community's efforts should focus on helping them to achieve self-government and independence. In economic reconstruction and reform in particular, efforts should be made to reduce their reliance on external assistance. They should be helped to establish a self-sustaining market economy. If they do not, all kinds of social and economic problems may resurface in Bosnia and Herzegovina in the process of economic transition.

Sir Jeremy Greenstock (United Kingdom): It is very good to see the High Representative with us again today. We very warmly appreciate and fully support what he and his team have been doing over the past six months, particularly the progress that has been made in the implementation of the commitments undertaken at the Brussels meetings of the Peace Implementation Council. His Office's refined focus on refugee return, economic reform and state-level institution-building is beginning to bear fruit in a very welcome way. What is happening in Mostar, with strong European Union support, is another encouraging indication of the change under way.

Perhaps the main downside has been that the bulk of progress over the past year has been through the efforts of the international community rather than of the Bosnians themselves. What the High Representative said about the growth figures over the recent period is another indication of that. We very much commend what Ambassador Petritsch has been doing in targeting the use of his Bonn powers and his determination to remain above the fray when a local solution is obtainable. Instances of that have been seen in the Council of Ministers and in the current pension law debate.

We share his hope that the general elections on 11 November will see a more responsible group of politicians elected. That will be an opportunity to develop the High Representative's concept of local ownership of the peace implementation process. Full implementation of the Bosnia and Herzegovina Constitutional Court's decision on constituent peoples, including any amendments to the election law, is in our view an essential part of Dayton implementation and another key challenge for the next entity and state-level Governments. We share his view that those decisions are non-negotiable and we urge his Office to do all it can to assist the new Governments once they are formed.

We share the High Representative's concern about the deterioration in Republika Srpska in the lead-up to the elections in the Federal Republic of Yugoslavia. The collapse of the Milosevic regime is undoubtedly good news for Bosnia, but President Kostunica has something to learn about Dayton implementation. We welcome the High Representative's early engagement with Mr. Kostunica and efforts to manage his visit to Trebinje last weekend. It is essential that the Office of the High Representative continue to engage President Kostunica as a partner in Dayton implementation and to emphasize the relationship between development of

state-level institutions and a sovereign State of Bosnia and Herzegovina.

It is really remarkable to think that five years have now gone by since Dayton. We think that the international community's interests are now in good hands in Sarajevo and we wish the High Representative and his team every success in the important months of further change that are to come.

Mr. Kassé (Mali) (*spoke in French*): Allow me, as previous delegations have done, to thank the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, Mr. Petritsch, for his comprehensive and instructive briefing on developments in the situation in Bosnia and Herzegovina since mid-April 2000.

My delegation believes that despite the difficulties encountered there has been real progress, even if slow, in the implementation of the Dayton Accord. My delegation would like to welcome and support the commendable efforts made by Ambassador Petritsch and his team.

My delegation welcomes the important political, economic and social decisions made by the Peace Implementation Council at its meeting on 23 and 24 May 2000 in Brussels. Also, my delegation welcomes and encourages such positive steps as the establishment of a new Council of Ministers and the approval of its chairmanship, the adoption of an electoral law, the holding of municipal elections on 8 April 2000, the preparations for general elections in November and the single passport, because they are consonant with the idea of consolidating the foundations of democracy and the multi-ethnic nature of the State.

My delegation strongly encourages the efforts to reform the judiciary, which will strengthen State institutions. My delegation believes that institutional reforms must be accompanied by economic reforms and that economic development is the best guarantee of peace. In this respect, we invite the authorities of Bosnia and Herzegovina to continue with the macroeconomic reforms undertaken and to cooperate fully with the international financial organizations.

My delegation is very pleased to note the massive return of refugees. We believe that this trend should be strongly encouraged by the international community, and subsequent steps should be taken to that end.

Finally, my delegation strongly supports and encourages the efforts of the international community, which should spare no effort to ensure that the Dayton peace process is irreversible and that it strengthens the multi-ethnic nature of the State of Bosnia and Herzegovina.

Mr. Vámos-Goldman (Canada) (*spoke in French*): My delegation wishes to express its deep appreciation to High Representative Petritsch for the briefing he gave us today, as well as for the excellent work he continues to do in Bosnia and Herzegovina. We would also like to take this opportunity to thank the High Representative for his letter dated 9 October 2000 to the Steering Board countries regarding political developments in Belgrade and the opportunity these present for progress on issues of succession.

Canada believes that these issues should be resolved, and we look forward to seeing the results of the efforts of the High Representative's Office. Canada welcomes the commencement of the process of re-establishing diplomatic relations between Bosnia and Herzegovina and the Federal Republic of Yugoslavia following the visit that President Kostunica recently paid to Sarajevo. We note in this regard the special effort made by the High Representative to ensure the success of that visit.

(*spoke in English*)

Canada is concerned about statements made recently by Croatian Government officials announcing their intention to formally protest changes made to Bosnia and Herzegovina's electoral regulations. As has been clearly indicated by the Organization for Security and Cooperation in Europe, these changes are in accordance with the Bosnia and Herzegovina Constitution and the Dayton Peace Accords. Bosnia and Herzegovina's electoral regulations represent an internal issue. We urge the Croatian Government to maintain its commitment to respect the integrity of Bosnia and Herzegovina.

Canada believes strongly that the return of refugees and displaced persons to their pre-war homes remains a top priority. It is very important that the Bosnian authorities fully implement measures likely to foster returns, such as the property law, and cease obstructing legal evictions. Progress on this front is critical in measuring the commitment of Bosnian authorities to a lasting peace within the Dayton framework.

We need also to maintain pressure on Croatia and the Republika Srpska to ensure that they take the appropriate actions to fully implement the agreement they signed last March on two-way refugee return.

(*spoke in French*)

Earlier this month, Canada assumed command of Multinational Division-South West in Bosnia and Herzegovina, on a rotational basis with the United Kingdom and the Netherlands. We are determined to play a dynamic role within our sector of command, particularly with regard to refugee returns and the work of the International Criminal Tribunal for the Former Yugoslavia. We look forward to continuing close cooperation with the High Representative's Office in pursuing these and other objectives related to our command.

Miss Durrant (Jamaica): I wish to join in the welcome extended to the High Representative, Mr. Wolfgang Petritsch, and in thanking him for his very useful briefing. When he last briefed the Council, in May, the High Representative had focused on three areas, namely, economic reform, the acceleration of the return of refugees and the consolidation of institutions. Today's briefing builds on these developments and paints a comprehensive picture of the situation in Bosnia and Herzegovina against a background of recent political developments in the region. While progress has been slow, there have been some encouraging developments reported by Mr. Petritsch, particularly in regard to the common institutions, refugee return, judicial reform and human rights institutions.

The full implementation of the New York Declaration, adopted on 15 November 1999, continues to be critical to the process under way in Bosnia and Herzegovina. The strengthening of the State institutions along multi-ethnic lines must remain a priority. The Peace Implementation Council, at its meeting in Brussels in May, set one of its main goals as

> "Fostering functional and democratically accountable common institutions supported by an effective, merit-based civil service and a sound financial basis, based on the Rule of Law."

We have noted the holding of regular meetings of the Council of Ministers and the establishment of three new Ministries — of the Treasury, for European Integration and for Human Rights and Refugees. These developments are encouraging, and we would wish in due course to hear more about the progress on the State-level civil service law and in clearing the backlog of legislation which has to be adopted in accordance with the Peace Implementation Council work programme.

The agreements reached on a number of issues by the Joint Presidency are also encouraging. We are, however, concerned that the Presidency secretariat, which was called for in the New York Declaration, has still not been fully established. We note the need for more dialogue and constructive engagement in decision-making among the three members of the Presidency. It is clear from Mr. Petritsch's briefing that the process can be accelerated only with the firm commitment of the politicians to multi-ethnic cooperation.

We welcome the fact that general elections will be held in November, and we see the election law as an indispensable dimension of a democratic Bosnia and Herzegovina. While it is disappointing that, due to differences relating to its adoption, the law has not been passed, we commend the efforts of the House of Representatives and the Council of Ministers to establish a working group to overcome the differences in this area. My delegation fully agrees with Mr. Petritsch that any election law must establish principles for all levels in Bosnia and Herzegovina.

Nearly five years after the Dayton Accords some one million refugees and displaced persons are waiting to return to their pre-war homes. The reported rate of minority return has been encouraging, as numbers up to 31 August were more than double their number for the same period in 1999. As Mr. Petritsch pointed out, the rate of returns is even greater than the registered figures show. The fact that minorities feel comfortable and safe enough to return home is a positive indication that the situation there is coming under control and is improving. The report that few if any areas can now be deemed inaccessible because of security considerations, due to the role of the local police, is welcome.

Despite this we are cognizant of the need for work on refugee-related matters such as documentation, employment, education, pensions and access to utilities. In some cases other lasting solutions, such as local integration and settlement, may have to be considered for those unable or unwilling to return.

The implementation of the Property Law Implementation Plan is closely bound up with refugee return. Those returning and those displaced must be able to reclaim their properties. While the property legislation has begun to make steady progress, much remains to be done. We recognize in this regard the work of the Office of the High Representative, the United Nations High Commissioner for Refugees (UNHCR), the Organization for Security and Cooperation in Europe (OSCE) and the United Nations Mission in Bosnia and Herzegovina (UNMIBH) and we would wish to hear more about the remaining obstacles to progress in this area.

My delegation sees judicial reform as the cornerstone for the creation of a democratic society and the entrenchment of the rule of law. The recently adopted Law on Courts and Court Service in the Republika Srpska is welcome. The establishment of the Coordinating Board for the education of judges and prosecutors is another important addition, as this will offer additional education to judges in both the Republika Srpska and the Federation.

My delegation also welcomes the work currently under way to establish an independent judicial commission, as in our view this could provide a focal point for international assistance to judicial reform initiatives and for the identification and design of specific programmes for judicial assistance.

In the area of human rights, we welcome the appointment of three Ombudsmen in the Republika Srpska, but we are disappointed that the decision of the Human Rights Chamber regarding the reconstruction of mosques in Banja Luka has not been implemented.

My delegation would be remiss if it were to conclude its remarks without expressing support for the people of Bosnia and Herzegovina. We recognize the challenge of creating a mufti-ethnic society with multi-ethnic institutions, and we believe that success is contingent on the cooperation of the people of Bosnia and Herzegovina and their leaders.

My delegation wishes to stress the need for the full involvement of the people of Bosnia and Herzegovina in charting their own course. International commitment must be aimed at assisting the people of Bosnia and Herzegovina to build local capacity, as it is only through their involvement that a sustainable Bosnia and Herzegovina can be achieved.

My delegation recognizes that many of the economic, social and political problems facing Bosnia and Herzegovina can be best addressed from a regional perspective, and for this reason we attach importance to the development of a programme for reconstruction and renewal in South-eastern Europe within the framework of the Stability Pact. We are encouraged by the prospects for better cooperation among the leaders of all the countries in the region.

Finally, I wish to thank the High Representative and his staff for their unwavering commitment to the creation of a just, lasting and sustainable peace in Bosnia and Herzegovina.

The President: I shall now make a statement in my capacity as the representative of Namibia.

My delegation is grateful to the High Representative for his comprehensive and informative report on the implementation of the peace process in Bosnia and Herzegovina.

The report of the High Representative indicates that, overall, the situation in Bosnia and Herzegovina has been calm and stable. Steady, albeit slow, progress has been achieved in areas of institution-building. This achievement gives us hope that Bosnia and Herzegovina will soon chase the ghost of ethnic cleansing to the dustbin of history. It also encourages us to continue supporting the efforts and contributions extended to the people of Bosnia and Herzegovina by the international community.

Namibia takes note with appreciation the appraisal of the peace process by the Peace Implementation Council which met in Brussels in May. The three strategic targets identified with respect to the consolidation of State institutions enjoy my country's attention.

We are happy to learn that the rate of return of refugees and internally displaced persons has picked up this year. However, the macro-economic performance of the country has been mixed. In this regard, my delegation is encouraged by the new political climate in the region, especially the new Administration in the Federal Republic of Yugoslavia, as well as in Croatia.

Finally, we acknowledge the work of the office of the High Representative and the United Nations Mission in Bosnia and Herzegovina, as well as other international institutions which have dedicated their

financial and human resources to build democratic State institutions in that country.

I now resume my function as President of the Security Council.

The next speaker on my list is the representative of Bosnia and Herzegovina.

Mr. Sacirbey (Bosnia and Herzegovina): Mr. President, we are most pleased to see you presiding over the Council for this most significant briefing. May I here thank the High Representative and his staff for their work, commitment and endless efforts as well as for the most recent report which, I am sure, we all appreciate. May I also thank you, Mr. President, and others responsible for the opportunity to speak on behalf of Bosnia and Herzegovina before the Council. This opportunity is not only fair, but is also critical for our development toward self-sustainability.

Unfortunately, this also puts me in a difficult position, as a representative of my country and of all the people in my Government, of either having sometimes to defensively respond to Ambassador Petritsch's critical observations or having to accept such as true through my silence. I do not believe, though, that it would be constructive for me to address such specific issues in this manner, except to add my agreement to Ambassador Petritsch's perspective — that is, the cautiously optimistic view of the regional situation as a whole. Instead, we would prefer to point out several of the following.

First, it is appropriate that through my presence here and my opportunity to speak the representatives of the international community are accountable to the people of Bosnia and Herzegovina, as well as to this Council and other such forums. This is part of taking ownership of our future.

Secondly, from Ambassador Petritsch's comments one may be left with the damagingly false impression that all that goes wrong in Bosnia is due to the Bosnians and that all that happens right is due to the representatives of the international community. It is my diplomatic duty, as representative of the current Government in Bosnia and Herzegovina, to say that this is not true. It is also my personal duty, though, to say that this is only half true. Many of the difficulties that we deal with in Bosnia and Herzegovina are of our own doing — that is, the leadership in Bosnia and Herzegovina. Some of the difficulties have also been made more complicated by many missteps and misunderstandings by the international community in Bosnia and Herzegovina. The establishment of a single travel document for Bosnian citizens is an example of correcting a misdeed in which the international community initially played a crucial role — that is, made a mistake. I think sometimes we are all in need of a reality check. I also must recall here that the ethnic stratification of our political institutions is not the choice of most Bosnians, but is the result of what happened during the negotiation of the Dayton Peace Accords. This is something we were told at the time we must accept.

Thirdly, while I would personally prefer to see the scheduled elections bring about many of the changes in leadership that Ambassador Petritsch, and I am sure others, would prefer, I must caution that the democratic success of elections cannot be judged by the outcome, but rather by the process. The results may not be fully satisfactory, but in fact the elections must be judged by the conditions under which they are held. Here I must recall that we have had at least half a dozen elections in Bosnia and Herzegovina, which were certified by the OSCE as just, fair and democratic. Regardless of the outcome, I, and/or my successor, will be obliged to fully respect such results and follow the instructions of such new or old leadership and such new or old Government. That is democracy.

Fourthly, Bosnia and Herzegovina remains prepared to establish diplomatic relations with the Federal Republic of Yugoslavia without condition. We look forward to the Government in Belgrade cooperating with the International Criminal Tribunal for the Former Yugoslavia, to concluding with it the discussion on succession, and to that Government becoming a Member of the United Nations and other relevant international forums.

Fifthly, let me welcome Ambassador Petritsch's decision on the victims of Srebrenica. I congratulate and personally thank him. This decision promotes those options consistent with the views of the Srebrenica report and I believe with this Council's moral responsibility.

Finally, I would not wish to create any impression that my comments are meant to convey any significant disagreement with the specifics of Ambassador Petritsch's report. To the contrary, I must,

unfortunately, agree with too many of the negative, as well as the positive, assessments. Rather, these are qualitative nuances, and if I did not take this opportunity to repeat and re-emphasize the accountability of the High Representative and others in promoting the Peace Agreement and normalcy in my country, I am not sure what other task my Mission, I myself and all diplomats here from Bosnia and Herzegovina would have.

Let me remind everyone that there are many of us who continue to struggle for Bosnia's place as a normal State, a member of the Euro-Atlantic family, free of ethnic prejudices and divisions. We were there in Dayton and before, and many are still here. We sometimes feel swallowed up by the generalizations. In Dayton we did not want an ethnically stratified Government that would promote ethnic polarization. We did not want four passports. We did not want so much of what is bad and criticized here today. But we were told that we must accept the lesser of two evils: a bad peace over a just war. As someone who signed that bad peace as Foreign Minister, I must reiterate that I believe that we made the correct decision, and we, Bosnia and Herzegovina, as a sovereign State and Member of the United Nations, invited the international community, including through the establishment of the Office of the High Representative, to help turn our situation into a good peace. No one conquered Bosnia and Herzegovina. No army had to fight its way in.

Clearly, this is an indication of the understanding and commitment that most Bosnians and their leaders have to this transition to a normal, stable peace. We need the assistance and, unfortunately, too often the leadership provided by the international community. However, do not underestimate either our will or our comprehension of the situation, and do not generalize or unnecessarily browbeat. To repeat the words of the representative of the Netherlands: Give the people of Bosnia and Herzegovina some credit. I would also like to give credit to the members of the Security Council. I listened carefully to their comments and found they were well versed in the situation and had done their work on behalf of Bosnia very well. I thank them.

Finally, on behalf of President Izetbegović, let me thank the representative of Malaysia for his most kind words. I am sure the President will very much appreciate them.

The President: I thank the representative of Bosnia and Herzegovina for his kind words addressed to me and the members of the Council.

The next speaker inscribed on my list is the representative of Germany. I invite him to take a seat at the Council table and to make his statement.

Mr. Schumacher (Germany): I take this opportunity to express my appreciation for the, as always, comprehensive and succinct briefing we have just received from Mr. Petritsch. Germany took note with satisfaction of the Council's decision to organize this meeting in a manner that would allow non-members to express their opinion. We hope that this has set, once and for all, a good precedent. We are convinced that this open-minded approach to this issue reflects the forward-looking manner in which the Council is about to implement the respective decisions of the Brahimi Panel which are addressed to it directly.

After the democratic change of power in Zagreb, the recent developments in Belgrade have finally opened the doors wide for reaching regional stability, adding a new and hopefully decisive momentum to the implementation of the Dayton Peace Accord. This — and we have heard it already from Mr. Petritsch — has finally put the onus on the Government of Bosnia and Herzegovina and the Governments of both entities to deliver. The country is a decade behind, we have just learned from Mr. Petritsch, and the political leaders who have desperately failed in their responsibilities – I point only to the deplorable and appalling record of the Council of Ministers and the Parliament of Bosnia and Herzegovina – should be strongly reminded of their responsibilities to the international community and, most important, their people.

As the Ambassador of Bosnia and Herzegovina has just mentioned the "misdeed" of the international community on the adoption of the passport law, I would like to remind him that on 17 December 1997, after two years of Dayton implementation, the passport law was the only law, and remained for a very long time the only law, of Bosnia and Herzegovina which was properly adopted in the Bosnian Parliament. Bosnia and Herzegovina is facing a crucial election on 11 November and the people really now have a choice.

We call on President Kostunica to take the step of establishing diplomatic relations — without preconditions, as has been underlined on numerous occasions in the Peace Implementation Council — with

Bosnia and Herzegovina as soon as possible, without further delay. Both neighbouring countries — Croatia and Yugoslavia — are entitled to form a special relationship with their respective ethnic communities, a relationship that we call upon the High Representative to actively assist in formulating, thus adding an important element of stability to the region.

Dayton is an irreversible process; it cannot be reiterated often enough to those political forces in the country who still tend to look backwards. In addition, Dayton is an irreversible process in all its aspects and phases, including all measures taken by the High Representative after Sintra and Bonn to implement the Accord with the powers given to him by the Peace Implementation Council. We can only strongly encourage the High Representative — albeit with political sensitivity and a watchful eye, which goes without saying — to continue his energetic approach by taking full advantage of the powers vested in him to ensure that implementation stays on track. As we have just heard from our British colleague, five years of Dayton implementation have gone by. I think we have wasted enough time and, I should add, enough funds.

Clearly, Mr. Petritsch must be congratulated on progress achieved over the last month, in particular in the four key areas he mentioned: first, in establishment of a new Council of Ministers, which I hope will finally resume responsibility as the Government of the country; secondly, the ruling of the Constitutional Court that all three constituent peoples, and others, are considered to be equal in both entities — and we would appreciate perhaps receiving more information about the strategy envisaged to implement this most important ruling; thirdly, the increased number of minority returns — although one should remember that against the backdrop of the overall number of refugees, those returns still remain a trickle and not a broad current; and, fourthly, the progress achieved to foster the independence of local media and to continue judicial reform. It goes without saying that, as in the past, Germany is fully committed to render its support to the Dayton peace process in all its aspects, and to the work of the High Representative. We are of the opinion that Wolfgang Petritsch is doing an excellent job in Sarajevo.

However, in concluding, I would not like to forget to mention the most crucial issues yet to be solved as an indispensable condition of bringing peace to the region: the overall security situation, the existence of two — if not, de facto, three — armies, and the completion of the disarmament process under annex 1.B of the Dayton Peace Accord. We would very much appreciate it if the High Representative could cast some light on these items and issues in his next report to the Council.

The President: The next speaker inscribed on my list is the representative of Italy. I invite him to take a seat at the Council table and to make his statement.

Mr. Francese (Italy) (*spoke in French*): Allow me first of all to express Italy's appreciation for the decision you personally, Mr. President, and the other members of the Security Council, have made today to make possible the presence today at this meeting of the countries most directly interested in the development of the situation in Bosnia and Herzegovina, and particularly for making it possible for Italy to participate actively in this debate. The positive response to our request to participate along with other relevant actors in connection with the situation in Bosnia and Herzegovina is a step forward towards transparency in the work of the Security Council and towards more active participation by countries that can make positive contributions to peacekeeping missions. That is precisely one of the goals that was very clearly highlighted quite recently in the report of the Panel on United Nations Peace Operations, led by former Algerian Foreign Minister Brahimi.

I have taken note of the very interesting comments that have been made around the table today, and merely wish to add a few brief observations to ensure that this practice, which is being given such concrete form today, contributes directly to advancing the work of the Council and not to hindering the efficacy of its deliberations.

First of all, I would like to point out that during the last five years Italy has contributed about $110 million to the social and economic reconstruction of Bosnia and Herzegovina. This commitment was carried out through decentralized initiatives at cooperation that involved the participation of cities, regions and representatives of Italian civil society, and their counterparts in Bosnia and Herzegovina. Along with that, I should also mention the involvement of the Italian army and the special forces of the *carabinieri* police, which, in the context of the International Police Task Force and the Multinational Specialized Unit are developing a new service in accordance with the new

standards of police professionalism in international missions. Those standards are considered as important elements when we talk of reorganizing United Nations peace operations.

Throughout our time in Bosnia and Herzegovina we have always noted the great importance of the coordinating and initiating role played by the High Representative, Ambassador Wolfgang Petritsch, who, along with Ambassador Klein, is one of the first pillars of international solidarity with Bosnia and Herzegovina. In his presentation today, for which we very much thank him, Ambassador Petritsch shared with us some observations that inspire great hope in us while also warning us of the need for heightened vigilance. There is both light and shadow in the situation, as we can see clearly in the four basic areas he mentioned.

Like the High Representative, we are particularly pleased with the growing success of activities against corruption, as well as with the initiatives he has undertaken and coordinated with regard to promoting economic reform. The situation of refugees does not seem as promising, but this is an area in which the will of individuals has at least as much weight as that of public initiatives taken by international authorities and by those of Bosnia and Herzegovina. The main thing continues to be strengthening institutions, an area in which there has been clear progress but in which very serious questions remain. In this regard, we hope that the elections of 11 November will illustrate that progress is possible in the strengthening of institutions. We wish to thank Ambassador Petritsch for his very candid and detailed presentation.

Speaking in a broader political context, we can say once again that the light at the end of the tunnel is represented by the prospect of integration into Europe, as was noted by our head of Government and President of the National Council, Mr. Amato, who, along with the Ministers for Foreign Affairs and Economy, visited Belgrade right after President Kostunica was inaugurated. All the peoples of South-East Europe, including President Kostunica's Yugoslavia, which has chosen democracy, want and are able to grow closer to the European community. The electoral process is obviously a decisive milestone down that path, particularly with regard to Bosnia and Herzegovina, where we expect to see manifestations of this option at the elections of 11 November, and further progress later on. In particular, we hope that this will enable Bosnia and Herzegovina to join the Council of Europe as soon as possible.

Another step forward to which we are paying great heed is the Zagreb summit of the European Union and the countries of South-Eastern Europe, to be held on the initiative of the French presidency of the European Union to mark the recent beginnings of a convergence that could also involve Bosnia and Herzegovina and its neighbour, Croatia.

The democratic developments we have seen in Belgrade can contribute not only to harmonious integration of all countries of the region in a European context, but also, we very much hope, to strengthening State institutions in Bosnia and Herzegovina. The democratic developments in Belgrade are a win-win situation for the entire region, and we hope that the democratic advances in Belgrade will have a positive influence on inter-ethnic relations in Bosnia and Herzegovina. Clearly all of us, including the parties themselves, must each pull our weight. First and foremost, the international community must continue actively to address the needs of Bosnia and Herzegovina.

In terms of bilateral relations, the countries near to the South-Eastern region will need to continue to develop focused initiatives for political as well as economic cooperation in support of this process. This is true, of course, for the authorities in Bosnia and Herzegovina. Italy hopes that they will dedicate themselves fully and resolutely to economic reform so that investors who are interested in a country that could become increasingly attractive for enterprises can participate, in a market context, in the economic and social progress of the people of Bosnia and Herzegovina. We hope that the Sarajevo authorities will show the same commitment to inter-ethnic integration, including inter-ethnic integration in military structures. Here, Italy has offered to help promote more harmonious cooperation in the military sector, and that offer remains open.

I noted that early in his statement Ambassador Petritsch spoke of the ideal example of intercultural and inter-ethnic relations in Switzerland. It is my hope that inter-ethnic relations in Bosnia and Herzegovina will soon come to be more similar to those in Switzerland than they are at present.

The President: I call on Mr. Petritsch to respond to comments and questions that have been raised.

Mr. Petritsch: I would like to take this opportunity first to remind members of the Council and others who have spoken here that it is my mandate under annex 10 of the Dayton Peace Agreement to coordinate all the civilian agencies engaged in peace implementation. That means, necessarily, that I have to deal with a wide range of issues and topics that have been covered here today in statements by members of the Security Council and by others.

Let me stress above all that I welcome and very much appreciate the fact that the representative of Bosnia and Herzegovina was able to take the floor here. I deeply believe that we will be successful in the end only if we really secure cooperation with representatives of Bosnia and Herzegovina, and if we really work to push the idea of ownership. Ownership, of course, also means that local authorities should, more and more, take responsibility for what they are doing. This in turn means that we need to be open to criticism and to suggestions on the part of Bosnia and Herzegovina in order to come up with the best result possible. We are not there to demonstrate that the international community knows best; we are there to find a solution for the people, for the citizens of Bosnia and Herzegovina. In that respect, I very much appreciate what has been said to that effect here in the Security Council.

Let me express my appreciation for the highly cogent and relevant remarks that have been made here and for the positions that have been expressed, and my satisfaction at them. Basically, there is strong support for the three priority areas adopted last May at Brussels by the Foreign Ministers of the Peace Implementation Council. I would like to comment on the three priority areas and on some of the individual specific issues that were raised here by delegations.

Let me start out with the issue of State institutions, because the issue of those institutions and of strengthening them is intimately tied to the powers invested in the High Representative, the so-called Bonn powers. Without the imposition of the State border service earlier this year, I believe we would now be in a highly difficult and critical situation in Bosnia and Herzegovina because of the recent surge in illegal transmigration through Bosnia and Herzegovina into other parts of Europe. The fact that the State border service — which unfortunately had to be imposed — is in place with the strong support of the United Nations is important in terms of fighting illegal migration and transmigration.

Another example, of course, is the passport. Apart from the reasons that were given here by me and by Security Council members, there are other implications of the passport, including economic implications: without valid, internationally recognized passports, businesspeople from Bosnia and Herzegovina would have difficulties in travelling and in establishing businesses. So in many ways it was a necessity — not just a political necessity, not just in terms of State-building, but also in the economic sense — that the international community and I as the High Representative came up with an early decision on this.

When we talk about State institutions, I believe that the Council of Ministers is central. We now have six ministries in place; this means that the central Government in Sarajevo is already reminiscent of a modern Government: it has six ministries and covers most of the relevant topics. Therefore, my efforts after the elections will be directed at strengthening the Council of Ministers as much as possible, to turn it into the central institution that it was supposed to be according to Dayton.

Turning to the decisions of the Constitutional Court, let me say that I very much appreciate the efficiency and the professionalism demonstrated by the Court. Its landmark decisions will be of the greatest importance and will have positive consequences for the overall state-building process in Bosnia and Herzegovina. They are non-negotiable, as was pointed out by Ambassador Greenstock, and this needs to be underlined and understood by the local entity governments.

We will see to it that the Constitutional Court's decisions are implemented and become part of the entity constitutions. Also important is the need to continue to depoliticize judicial issues. We need to go on and do what would be necessary in any other state, which is necessary also in Bosnia and Herzegovina.

We will solicit the support of the Council of Europe — of which Bosnia and Herzegovina will hopefully be a member very soon — and that of the Council of Europe's Venice Commission, which has already in the past helped us to find the right solutions to some of the more sticky issues. I am quite confident

that with this help we will be successful in implementing the Constitutional Court's decisions.

Let me turn to some other issues. Economic reform is the engine of change in Bosnia and Herzegovina, and there are indeed differences between the two entities when it comes to the state of the economy. There are clear reasons for this. The first two years in the Republika Srpska were basically lost in terms of the peace implementation process because of the obstructionism of politicians such as Mr. Krisnic, who is now in The Hague. This has changed, but nonetheless the Republika Srpska is lagging behind for these and other reasons. But I must also say that when it comes to the privatization process, some of the successes are actually more visible in the Republika Srpska than in the Federation.

So, in short, there is a mixed record when it comes to economic reform, but the primary concern will remain the privatization process and the restructuring of the major utilities in all of Bosnia and Herzegovina in order to provide for a single economic space for the country. I also see this as the one and only way to fight corruption, to strengthen the institutions and the independent judiciary, and to create a level playing field for a competitive, market-oriented economy.

The next point is the return of refugees, which, as the Council is probably aware, is at the core of the Dayton Accords. I should say also that it is not something that is confined by the Dayton Accords. It is true that there are quite a few ethnic features in the Dayton Accord, as was pointed out by the representative of Bosnia and Herzegovina, which at the time were necessary and which need to be successively brought down to a realistic level.

But the Dayton Accords do not place any restrictions on us in terms of refugee returns, and therefore we are pushing very hard to achieve the necessary results in that area. Given current figures, together with the very comprehensive property legislation plan that is now being implemented, I am quite confident that this year and next will see the return issue become a self-sustaining one, so that the local authorities, which are primarily charged with this question, will be able fully to take over once again the issue of ownership and bring it to a happy ending.

Of course — and this is a paradoxical situation — because of the great success in returns this year, we do not have enough flexible funds where there is a lack of alternative accommodations. Of course, we also need to recognize that results are regionally quite diverse — in some parts things are working out excellently, while in others things are still not up to par.

In the end, let me say that we now see fresh winds of change in the whole region. Yugoslavia and Croatia provide for a better environment that is more conducive to peace implementation in Bosnia and Herzegovina. Within 10 months, the three main actors in the Yugoslav drama have stepped down in one way or another. I would like also to stress here the dignified way in which Mr. Izetbegovic, of his own free will, stepped down and thus provided space, room and opportunity for progress in the overall peace implementation process in Bosnia and Herzegovina.

I should like to take this opportunity to thank the United Nations agencies that are working together with us in Bosnia and Herzegovina. I should like also to thank the Security Council for its continued support, and the representatives assembled here for their respective contributions and, above all, for the support I can feel from the statements they made here.

The President: I thank Mr. Petritsch for the clarifications he has provided.

There are no further speakers inscribed on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 1.30 p.m.